

**Community Development Commission**

March 15, 2005

To: Each Supervisor  
From: Carlos Jackson, Executive Director



**SUBJECT: MEETING WITH CITY OF INDUSTRY REPRESENTATIVE**

On March 8, 2005, the Board of Supervisors voted to oppose AB 1491 (R. Calderon), which would allow the City of Industry to retain up to one-half of the annual amount of its Housing Set-Aside funds that are currently transferred to the Housing Authority of the County of Los Angeles.

On March 14, 2005, members of my staff and I met with former State Senator Frank Hill, who authored the initial legislation transferring Industry Housing Set-Aside funds to the Housing Authority and who is presently acting as a consultant to the City. This meeting was held in an effort to reach mutual agreement with the City regarding the Industry Fund Program and remove any further legislative actions amending existing law.

A proposal was discussed at this meeting that reflects the compromise put forth on May 9, 2001 by the then Chair of the Assembly Housing and Community Development Committee, Alan Lowenthal, in response to AB 618 (T. Calderon), which is a bill that would have shifted control of the Set-Aside funds to the City. The points of the proposal are:

For the First 1/3 of the Annual Allocation:

1. Projects within five miles of the City of Industry would be given priority for this portion of the funds.
2. Projects must meet current Housing Authority guidelines.
3. If no project within the five-mile radius meets Housing Authority guidelines, these funds would be distributed to other Housing Authority-approved projects within the 15-mile radius.
4. The Housing Authority shall award project funding.
5. Bonding Authority: The Housing Authority is authorized to bond against a portion or all of the annual City of Industry Set-Aside for the remaining term of the tax increment flow from the City's Redevelopment Areas. The bonding of funds would allow the Housing Authority to utilize a greater amount of funds at an earlier point in time.

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This proposal is consistent with your past motion and five-signature letter issued by the Board of Supervisors in December 2000, when the subject of bonding the Set-Aside funds was previously discussed with Industry officials.

I hope to hear from the City of Industry by the end of the week, at which point we will determine if there is sufficient interest to move forward with this proposal. We will keep you apprised of any response we receive from the City and inform your respective staff of any interest from the City to pursue this course of action. Should you have any questions, please contact me at (323) 890-7400 or Syed Rushdy, Director of Housing Development and Preservation, at (323) 890-7230.

CJ:GK  
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c: Each Deputy